GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:876
ANSWERED ON:25.07.2003
EXPORT OF SUGAR
SHRINIWAS DADASAHEB PATIL

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether in view of large production of sugar in the country, the Government propose to export sugar;

(b) if so, the steps taken by the Union Government in this regard;

(c) the percentage of sugar exported as compared to its production during the last three years;

(d) whether the Government were unable to export sugar in large quantum as compared to wheat and rice exports to various countries;

(e) if so, the reasons therefor; and

(f) the steps taken in this regard?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD YADAV)

(a),(b),(c),(d),(e)&(f): Due to high level of production during the last four consecutive sugar seasons as also in the current 2002-2003, sugar season, there has been considerable surplus stock of sugar in the country. In order to boost export of sugar, Government has taken the following measures:-

(i) Sugar meant for export has been exempted from the levy obligation.

(ii) The quantity of sugar released for export is treated as advance freesale release, to be adjusted in the freesale stocks of the sugar mills after a period of 18 months.

(iii) Duty Entitlement Pass Book (DEPB) at the rate of 4% of the F.O.B. value of the export of sugar has been allowed.

(iv) Government has amended the Sugar Development Fund Act, 1982, so as to enable it todefray the expenditure on internal transport and freight charges and to neutralize the Ocean freight disadvantage to the sugar factories, on the export shipments of sugar.

The percentage of sugar exported as compared to its production during the last three years is as under:-

S.No.	Sugar Season (Oct.-Sept.)	Production (in lakh tonnes)	Export# (In lakh tonnes)	Percentage of export over production
1	1999-2000	181.93	0.23	0.13%
2	2000-2001	185.10	9.87	5.33%
3	2001-2002	185.25 (P)	8.91	4.81%
4	2002-2003 (upto 31.5.2003)	197.10 (P)	9.80 (P) (upto 31.5.2003)	4.97%

Source:- Export data on sugar season (October-September) basis has been compiled fromthe monthly data on export of sugar as published by the Directorate General of CommercialIntelligence & Statistics, (DGCI&S), Kolkata. For the sugar season 2002-03, data upto the month of March, 2003 is as per DGCI&S Kolkata and for the months of April and May 2003, as per trade circles.

(P) = Provisional.

The export of sugar is allowed under Open General Licence (O.G.L.), as per the existingEXIM Policy of the Government and various sugar mills/exporters are exporting sugar as per their commercial prudence.